



Control Number: 51415



Item Number: 76

Addendum StartPage: 0

RECEIVED

2020 NOV 24 AM 11:33

SOAH DOCKET NO. 473-21-0538
PUC DOCKET NO. 51415

PUBLIC UTILITY COMMISSION
FILING CLERK

APPLICATION OF SOUTHWESTERN § BEFORE THE STATE OFFICE
ELECTRIC POWER COMPANY FOR § OF
AUTHORITY TO CHANGE RATES § ADMINISTRATIVE HEARINGS

**OFFICE OF PUBLIC UTILITY COUNSEL'S
FOURTH REQUEST FOR INFORMATION TO
SOUTHWESTERN ELECTRIC POWER COMPANY**

Pursuant to 16 Texas Administrative Code ("TAC") § 22.144, the Office of Public Utility Counsel ("OPUC") submits this Fourth Request for Information to Southwestern Electric Power Company ("SWEPCO"). OPUC requests that SWEPCO provide answers to the request for information under oath as required by 16 TAC § 22.144(c)(2)(F) within the timeframe specified in the procedural schedule in this proceeding, or within 20 days pursuant to 16 TAC § 22.144(c)(1) if a procedural schedule has not been adopted. OPUC further requests that SWEPCO provide an answer to the questions and sub-questions in the order listed below with sufficient detailed information to provide a complete and accurate answer to each question and sub-question.

Definitions

1. "SWEPCO," the "Company," "Applicant," "You," and "Your" refer to Southwestern Electric Power Company and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
2. "Document" and "documents" include any written, recorded, filmed, or graphic matter, whether produced, reproduced, or on paper, cards, tape, film, electronic facsimile, computer storage device, or any other media, including, but not limited to, electronic mail (e-mail), memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, contracts, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, observations, commercial

practice manuals, reports, summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form.

Instructions

1. The Definitions, Instructions, and Claim of Privilege sections set forth in this request for information apply to these questions.
2. In providing an answer to each question, please furnish all of the information that is in your possession, custody, or control, as defined by Texas Rules of Civil Procedure (Tex. R. Civ. Proc.) 192.7(b), including information in the possession, custody, or control of your affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
3. Please answer each question based upon your knowledge, information, or belief, and state whether each answer is based upon your knowledge, information, or belief.
4. If you have possession, custody, or control, as defined by Tex. R. Civ. Proc. 192.7(b), of an original requested document, please produce the original requested document or a complete copy of the original requested document and all copies that are different in any way from the original requested document, whether by interlineation, receipt stamp, or notation.
5. If you do not have possession, custody, or control of an original requested document, please produce copies of the document, however made, in your possession, custody, or control. If any requested document is not in your possession, custody, or control, please explain why the document is not in your possession, custody, or control and provide the current location and custodian of the requested document or any copy, summary, or other form of the requested document thereof.
6. If there is any confusion about a question, please contact the undersigned counsel for clarification.
7. In providing your response to a question, please start each response on a separate page and type, at the top of the page, the question that is being answered by the response.
8. As part of the response to each question, please state, at the bottom of the answer to the question, the name and job position of each person(s) who participated in any way, other

than by providing clerical assistance, in the preparation of the answer to the question. If the question has sub-parts, please identify each person(s) by name and job position that participated in any way, other than by providing clerical assistance, in the preparation of the answer for each sub-part of the question.

9. Please state the name of the witness in this docket who will sponsor the answer to the question and/or sub-part of the question and who will swear to the truthfulness of the answer to the question and/or sub-part of the question.
10. Please provide individual responses to questions as each response becomes available, rather than waiting to provide all of the responses to the questions at the same time.
11. These questions are continuing in nature. If there is a change in circumstances or facts or if you receive or generate additional information that changes your answer to a question between the time of your original response and the time of the hearing, then you should submit, under oath, a supplemental response to your earlier answer to the question.
12. If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue. Furthermore, if you object to any question on the grounds that the question seeks confidential information, or on any other grounds, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue.
13. If the response to any question is voluminous, please make available all of the voluminous material at a designated location in Austin. Please provide a detailed index for the voluminous material with your response to the question to enable efficient review of the material. The index should include information sufficient to locate each individual document by page, file, and box number, date of each document, title of each document, description of each document if no document title exists, name of the preparer of each document, and length of each document.
14. If the requested information is included in previously furnished exhibits, workpapers, or responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references to the previously furnished information.

15. If a question requests the production of copyrighted material, you may provide a list of such material, including the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.

Claim of Privilege

If any document is withheld under any claim of privilege, please provide a list that identifies each document for which a privilege is being claimed, including the date, sender, recipient(s) of the privileged document, recipient(s) of copies of the privileged document, subject matter of the privileged document, and the basis upon which a privilege is being claimed by the Company.

SOAH DOCKET NO. 473-21-0538
PUC Docket No. 51415
OPUC's Fourth Request for Information to
Southwestern Electric Power Company

- 4-1. Please refer to the Direct Testimony of Mr. Gregory S. Wilson at page 6. Please provide a copy of the Monte Carlo simulation study that was used by Mr. Wilson to determine his recommendations with respect to the storm reserve. Please provide the study in its native Microsoft Excel format with all formulas included.
- 4-2. Please refer to the Direct Testimony of Mr. Gregory S. Wilson at page 7. Please provide the supporting documentation related to the Handy-Whitman index information used by Mr. Wilson in his trended storm loss calculations.
- 4-3. Please refer to the Direct Testimony of Mr. Gregory S. Wilson at page 11.
 - a. Please provide the analysis that was conducted by Mr. Wilson concerning the cost benefit of self-insurance for SWEPCO.
 - b. Please admit or deny that SWEPCO currently has commercial insurance to cover storm losses. If admit, please provide the terms and cost of such insurance. If deny, please provide an explanation of how SWEPCO currently covers the costs of major storm damage.
- 4-4. Please refer to the Direct Testimony of Mr. Gregory S. Wilson, Exhibit GSW-3. Please provide the details concerning the storm costs for the year 2000. When did this storm or storms occur?
- 4-5. Please refer to the Direct Testimony of Mr. Gregory S. Wilson, Exhibit GSW-3. Please admit or deny that Mr. Wilson has always conducted his Monte Carlo analysis for regulatory proceedings with at least 20 years of data. If deny, please provide the case numbers for those regulatory proceedings in which Mr. Wilson used less than 20 years of data and a brief description of the reasons for using less data points in those proceedings.
- 4-6. Please reference WP/A-3.2, sponsored by Mr. Michael Baird. Please provide a detailed explanation as to why the adjustment to the annual incentive compensation for FERC Account 5880 shows an increase of approximately 540% over test year actual. Please be sure to reference all schedules and workpapers that support this adjustment.
- 4-7. Please reference WP/A-3.2, Tab "icp proforma," Excel line 80, sponsored by Mr. Michael Baird. Please provide the native Excel worksheets with all formulae intact that are included in the referenced file "H:\VAD\DRA\Francis\SWEPCO 2020\[Labor 2020.xlsx]calc of 1.0 icp target."
- 4-8. Please reference WP/A-3.2, Tab "Att 1 union targets," sponsored by Mr. Michael Baird. Please provide the actual test year per book amounts of annual incentive compensation applicable for SWEPCO union employees using the same categories of 141, 148, 149 and 155 as shown on this worksheet.

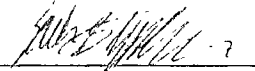
SOAH DOCKET NO. 473-21-0538
PUC Docket No. 51415
OPUC's Fourth Request for Information to
Southwestern Electric Power Company

- 4-9. Please reference WP/A-3.2, Sponsored by Mr. Michael Baird. Please provide a detailed explanation of the use of the 75% weighting for the 2019 Incentive comp and the 25% weighting for the 2020 incentive comp. How does this weighting compare to the actual amounts recorded per book in each period? Please include in your response the monthly per book amounts of the annual incentive compensation for the test year.
- 4-10. Please reference WP/A-3.2, sponsored by Mr. Michael Baird. Please admit or deny that the 2021 annual incentive awards as reflected in the 2021 amounts have been awarded. If deny, please provide an explanation as to why the Application includes the use of these awards in the computation of annual incentive compensation expense. If admit, please provide the actual amount of the awards by employee along with the actual percentage awarded relative to the target percentage for any employee whose annual incentive compensation is included in this filing.
- 4-11. Please reference WP/A-3.2, sponsored by Mr. Michael Baird. Please provide a detailed explanation of the formulae included on Excel row 104 in columns C and H.

Dated: November 24, 2020

Respectfully submitted,

Lori Cobos
Chief Executive & Public Counsel
State Bar No. 24042276




Zachary Stephenson
Assistant Public Counsel
State Bar No. 24073402
Tucker Furlow
Senior Assistant Public Counsel
State Bar No. 24060897
Chris Ekoh
Senior Managing Public Counsel
State Bar No. 06507015

OFFICE OF PUBLIC UTILITY COUNSEL
1701 N. Congress Avenue, Suite 9-180
P.O. Box 12397
Austin, Texas 78711-2397
512-936-7500 (Telephone)
512-936-7525 (Facsimile)
zachary.stephenson@opuc.texas.gov
tucker.furlow@opuc.texas.gov
chris.ekoh@opuc.texas.gov
opuc_eservice@opuc.texas.gov (Service)

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 24th day of November 2020, by facsimile, electronic mail, and/or First class, U.S. Mail.



Zachary Stephenson